



## **MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT**

### **Introduction**

Respect for human rights is self-evident and forms an integral part of the corporate culture of Lufthansa Group<sup>1</sup> as a global company. Modern slavery is a crime and a violation of fundamental human rights. We are committed to improving our practices to combat modern slavery and human trafficking. Our statement outlines the steps we have taken to prevent Modern Slavery within our Group and our supply chains and sets out our plans for future improvements.

This statement is made pursuant to section 54 (1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement.

### **Organizational structure**

The Lufthansa Group is an aviation company with worldwide operations and more than 550 subsidiaries (including LTLGS) and affiliated companies. The portfolio comprises the Network Airlines, the Eurowings Group and Aviation Services. The business segment Network Airlines comprises the companies Lufthansa, SWISS and Austrian Airlines. They offer their customers a premium product and, thanks to the multi-hub strategy, a comprehensive route network combined with the highest degree of travel flexibility. The business segment Eurowings Group comprises the flight operations of the Eurowings Group as well as Brussels Airlines and the equity investment in SunExpress. They offer an innovative and competitive product for price-sensitive and service-oriented customers in the growing direct-traffic segment. The Aviation Services are leaders in their worldwide markets and strengthen the portfolio of the Lufthansa Group. They include the business segments Logistics, MRO (Maintenance, Repair and Overhaul), Catering as well as other companies and Group functions. Further information regarding the Company's Structure may be found via the following link:

<https://www.lufthansagroup.com/en/responsibility/sustainability-reports.html>

Lufthansa Group carries over 130 million passengers each year with 728 aircraft flying to 343 destinations in 103 countries. The Corporate headquarters is in Cologne with a global annual turnover of 35.6 billion euros.

### **Policies**

The Company's participation in the UN Global Compact since the end of 2002 and the Code of Conduct, adopted in 2017, are written commitments that express the importance of human rights for the Lufthansa Group. The Group has a large unionised workforce represented by a number of different trade unions. Our Group Companies consult with employee representative bodies, including trade unions and works councils.

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<sup>1</sup> Lufthansa Group includes wholly owned subsidiaries, including LTLGS

The binding Code of Conduct documents the values, principles and standards of conduct of the Lufthansa Group. Point 6 expressly states: "We respect and uphold the dignity of our employees, customers, and business partners. In all our actions, we ensure that we act in accordance with human rights, the principles of the UN Global Compact, and recognized international labor and social standards. In particular, we reject child labor, forced labor, and exploitation or discrimination of any kind."

### **Human Rights Working Group**

A Human Rights Working Group was established within the Human Resources and Legal Affairs board function in 2017 and comprises representatives of all relevant head office functions as well as Group companies that are potentially at risk. The Project Group monitors and discusses any potential high and extreme risk areas, incidents and actions in relation to Human Rights with the specific field of modern slavery.

Based on an analysis carried out by Verisk Maplecroft, an advisory company, an overview of all Group companies operating in high-risk and extreme-risk countries was drawn up, i.e. countries where the risk of human rights violations is particularly high. Managers and Human Resources departments at these companies should be made aware of their duty of care to avoid the realization of risk due to modern slavery. The Working Group will meet at least twice a year during 2018 to continually monitor the Group's progress in tackling slavery.

In addition to general cabin observation for unusual behaviour on board our aircraft, which is standard procedure across the Group's airlines, it is in plan to strengthen a strategic approach on Human Trafficking by a team consisting of participants from each of the operating companies and relevant subsidiaries.

### **Our Supply Chains**

The Lufthansa Group has more than 40,000 suppliers. The annual procurement volume is about 18 billion euros. To meet the standards it sets for the sustainability of its own products, the Lufthansa Group relies on close cooperation with suppliers who share and implement these standards. This approach is also part of the Lufthansa Group's Code of Conduct. *The Lufthansa* Group expects from its suppliers that they fully comply with current law, guidelines and regulations concerning fair competition, integrity and responsible practices.

The Group procurement policy includes the obligation to assume social and ecological responsibility. It is to be understood as an overriding specification for all procurement guidelines at the Group companies. In addition, it serves as a handbook for buyers and all employees with contacts in the procurement markets. Among other considerations, it requires that these obligations be included in contracts with suppliers:



- to comply with the ten principles of the UN Global Compact;
- to comply with the four basic principles of the International Labour Organization (ILO);
- to consent to announced and unannounced audits by companies of the Lufthansa Group;
- to accept the termination of the contract in the event that these contractual obligations are breached.

By imposing these obligations, the Lufthansa Group endeavours to ensure responsible practices by its direct suppliers and so to meet its own standards for corporate responsibility.

### **Further Steps to Prevent Modern Slavery**

LTLGS seek to make a contribution and whilst we have no control regarding political developments in countries we connect with, we have a responsibility in the sphere of our work, especially in dealing with their employees worldwide. In the coming year, LTLGS will support the LH Group to improve structures, practices and/or trainings to combat Modern Slavery and Human Trafficking.

Signature

Christian Rodarius

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Lufthansa Technik Landing Gear Services UK

Dated

13 March 2020